

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

CarePoint Health Systems Inc. d/b/a Just Health Foundation, *et al.*,

Debtors.¹

Chapter 11

Case No. 24-12534 (JKS)

(Jointly Administered)

Hearing Date: Jan. 17, 2025 at 10:00 A.M.

Obj. Deadline: Jan. 15, 2025 at 10:00 A.M.

Re: D.I. 417

**RESERVATION OF RIGHTS OF J2 FUNDING, LLC,
SIGNATURE RX INVESTMENTS, LLC, AND BILLS RIGHT LLC
TO MOTION OF THE DEBTORS AND THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS FOR ENTRY OF ORDER (I) APPROVING
THE DISCLOSURE STATEMENT ON AN INTERIM BASIS; (II) SCHEDULING
A COMBINED HEARING ON FINAL APPROVAL OF THE DISCLOSURE
STATEMENT, PLAN CONFIRMATION, AND DEADLINES RELATED THERETO;
(III) APPROVING SOLICITATION, NOTICE AND TABULATION PROCEDURES
AND FORMS RELATED THERETO; AND (IV) GRANTING RELATED RELIEF**

J2 Funding, LLC (“J2”), which is a proposed DIP lender and a holder of a right of first refusal with regard to financing provided to CarePoint Health Systems Inc. d/b/a Just Health Foundation and the other chapter 11 debtors (collectively, the “Debtors”) in these above-referenced jointly administered chapter 11 cases; Signature RX Investments, LLC (“Signature

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number are: (i) Bayonne Intermediate Holdco, LLC (7716); (ii) Benego CarePoint, LLC (2199); (iii) Briar Hill CarePoint, LLC (iv) CarePoint Health Management Associates Intermediate Holdco, LLC (none); (v) CarePoint Health Management Associates, LLC d/b/a CarePoint Health (3478); (vi) CarePoint Health Systems, Inc. d/b/a Just Health Foundation (6996); (vii) CH Hudson Holdco, LLC (3376); (viii) Christ Intermediate Holdco, LLC (3376); (ix) Evergreen Community Assets (1726); (x) Garden State Healthcare Associates, LLC (4414); (xi) Hoboken Intermediate Holdco, LLC (2105);(xii) Hudson Hospital Holdco, LLC (3869); (xiii) Hudson Hospital Opco, LLC d/b/a CarePoint Health-Christ Hospital (0608); (xiv) HUMC Holdco, LLC (3488); (xv) HUMCO Opco, LLC d/b/a CarePoint Health-Hoboken University Medical Center (7328); (xvi) IJKG, LLC (7430);(xvii) Just Health MSO, LLC (1593); (xviii) New Jersey Medical and Health Associates d/b/a CarePoint Health Medical Group (0232); (xix) Quality Care Associates, LLC (4710); (xx) Sequoia BMC Holdco, LLC (9812); (xxi) IJKG Opco LLC d/b/a CarePoint HealthBayonne Medical Center (2063). The address for CarePoint Health Systems Inc. is 308 Willow Avenue, Hoboken, NJ 07030.

RX”), a secured creditor; and Bills Right LLC (collectively with J2 and Signature RX, the “Reserving Parties”), an unsecured creditor, hereby respectfully submit this Reservation of Rights to the Motion of the Debtors and the Official Committee of Unsecured Creditors (collectively, the “Plan Proponents”) for Entry of an Order (I) Approving the Disclosure Statement on an Interim Basis; (II) Scheduling a Combined Hearing on Final Approval of Disclosure Statement, Plan Confirmation, and Deadlines Related Thereto; (III) Approving the Solicitation, Notice and Tabulation Procedures and Forms Related Thereto; and (IV) Granting Related Relief (the “Motion”). In support of their Reservation of Rights, the Reserving Parties respectfully represent as follows:

1. On January 8, 2025, the Plan Proponents filed their Motion, in which they seek, among other relief, “interim approval of the Disclosure Statement solely to permit the Plan Proponents to solicit votes to accept or reject the Plan, with final approval of the Disclosure Statement combined with the hearing on confirmation of the Plan.” Motion (D.I. 417) ¶ 14.
2. On the same date, the Plan Proponents filed a Motion to Shorten Notice and Schedule Expedited Hearing with respect to their Motion. Motion (D.I. 418).
3. On the same date, this Court entered its *Order Granting Motion to Shorten Notice and Schedule Expedited Hearing With Respect to Motion of the Debtors and the Official Committee of Unsecured Creditors Seeking Authority to File Combined Disclosure Statement and Plan*. Order (D.I. 419). This Court ordered that “[it] shall conduct a hearing on the relief sought in the Motion for a Combined Disclosure Statement and Plan on January 17, 2025 at 10:00 a.m.”; and that “objections to the relief sought in the Motion for a Combined Disclosure Statement and Plan shall be filed by January 15, 2025 at 10:00 a.m.” Ibid.

4. In the Order, the word “interim,” as it appeared before the term “relief” in the Plan Proponents’ proposed form of order shortening time, was stricken. Ibid. Also, the following sentence, as it appeared in the proposed form of order, was stricken: “A final hearing on the relief sought in the Motion for a Combined Disclosure Statement and Plan will be conducted on February 19, 2025 at 10:00 a.m.” Ibid.

5 “Conditional approval [of a disclosure statement] is just that - conditional. The court may revisit the question of the adequacy of disclosure at plan confirmation, if necessary.” In re St. Margaret’s Health – Peru, 659 B.R. 691, 698 (Bankr. N.D. Ill. 2024) (citing In re Islet Sciences, Inc., 640 B.R. 425, 460 (Bankr. D. Nev. 2022) (“Reassessing the adequacy of disclosure from the vantage of the confirmation hearing is an efficient safeguard of the integrity of the reorganization process.”)). “Indeed, even when a disclosure statement has been fully approved at a separate, earlier hearing, the court may consider at confirmation whether adequate information was provided prior to solicitation.” Ibid. (citing 11 U.S.C. § 1129(a)(2) (“The court shall confirm a plan only if all of the following requirements are met... (2) “[t]he proponent of the plan complies with the applicable provisions of this title.”)). See also id. at 699 (“A court must always determine, at the time of confirmation, whether the plan proponent provided adequate information prior to solicitation.”); In re Rupari Holding Corp., 2017 Bankr. LEXIS 3986, at *5-6 (Bankr. D. Del. Nov 2, 2017) (approving disclosure statement on interim basis and scheduling deadline to file objections to adequacy of disclosure statement and confirmation of plan).

6. Based on this authority, and in an abundance of caution, and subject to any deadline fixed by this Court, the Reserving Parties reserve their right to object to the adequacy of the information in the proposed Combined Plan and Disclosure Statement.

January 15, 2025
Wilmington, Delaware

WOMBLE BOND DICKINSON (US) LLP

/s/ Marcy J. McLaughlin Smith

Matthew P. Ward, Esq. (Del. Bar No. 4471)
Marcy J. McLaughlin Smith (Del. Bar No. 6184)
1313 North Market Street, Suite 1200
Wilmington, Delaware 19801
Telephone: (302) 252-4320
Facsimile: (302) 252-4330
Email: matthew.ward@wbd-us.com
marcy.smith@wbd-us.com

Counsel to J2 Funding LLC, Signature RX Investments,
LLC, and Bills Right LLC

RABINOWITZ, LUBETKIN & TULLY, L.L.C.

Jonathan I. Rabinowitz, Esq. (admitted *pro hac vice*)
Henry M. Karwowski, Esq. (admitted *pro hac vice*)
293 Eisenhower Parkway, Suite 100
Livingston, NJ 07039
Telephone: (973) 597-9100
Facsimile: (973) 597-9119
Email: jrabinowitz@rltlawfirm.com
hkarwowski@rltlawfirm.com

Counsel to J2 Funding LLC

WARSHAW BURSTEIN, LLP

Martin Siegel, Esq. (admitted *pro hac vice*)
Ally Hack, Esq. (admitted *pro hac vice*)
Matthew A. Marcucci, Esq. (admitted *pro hac vice*)
575 Lexington Avenue
New York, NY 10022
Telephone: (212) 984-7700
Facsimile: (212) 972-9150
Email: msiegel@wbnyc.com
ahack@wbnyc.com
mmarcucci@wbnyc.com

Counsel to Signature RX Investments, LLC and Bills
Right LLC